



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

M/053/073

Michael O. Leavitt
Governor

Kevin S. Carter
Director

675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818
801-538-5100
801-355-0922 (Fax)
<http://www.trustlands.com>

Feb. 7, 2003

Stratton Construction
P.O. Box 251
St. George, UT 84771

RE: ML 48974-MP

Dear Mr. Stratton:

The State of Utah owns all mineral rights in the following described subdivisions of land in Washington County, Utah.

Township 42 South, Range 15 West, SLB&M
Section 20: NE4NW4, NE4, NW4SE4, E2SE4

The Trust Lands Administration has issued a minerals permit (ML 48974-MP) to Stratton Construction granting an exclusive right to mine and remove sandstone materials from the NE4NW4 of Section 20. No permits have been issued to any other party to remove materials from these lands or from any state owned lands within the Section. Any such activity by other parties is in trespass of state trust lands and is subject to prosecution as a Class B Misdemeanor under Utah law.

If you know of, or witness, any parties in trespass of state trust lands please contact the Washington County Sheriff and reference this letter as a request to investigate and prefer criminal charges. Please be certain, however, that the trespass that you believe you are witnessing is in fact within the above-described trust lands before preferring any legal charges.

In addition to criminal charges, you may wish to consider filing a civil complaint against any party that you believe is trespassing upon state trust lands within your leasehold. As I mentioned above, Stratton Construction has an exclusive right to sandstone within the NE4NW4 of Section 20 and no other party has any right or authority from the Trust Lands Administration to mine or remove sandstone materials from the permitted lands.

I am forwarding a copy of your letter to the Division of Oil, Gas & Mining for investigation of possible violations of the Utah Mined Land Reclamation Act by the parties mentioned.

I am also enclosing a copy of the form you should use in reporting production from ML 48974-MP. Your \$400.00 rental payment credit may be taken on line 14. You may photocopy the form for future use. Please contact me if you have any questions.

RECEIVED

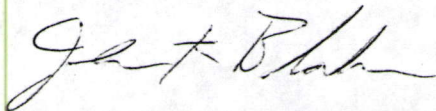
FEB 10 2003

DIV. OF OIL, GAS & MINING

Utah!

Where ideas connect™

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Blake". The signature is fluid and cursive, with the first name "John" and last name "Blake" clearly distinguishable.

John T. Blake
Mineral Resources Specialist

CC: Wayne Hedberg